

AMENDED IN SENATE JUNE 19, 2008

AMENDED IN SENATE JUNE 4, 2008

AMENDED IN ASSEMBLY APRIL 9, 2008

CALIFORNIA LEGISLATURE—2007–08 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2794**

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**Introduced by Assembly Member Blakeslee**

February 22, 2008

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An act to add Section 655.8 to the Business and Professions Code, relating to healing arts.

LEGISLATIVE COUNSEL'S DIGEST

AB 2794, as amended, Blakeslee. Diagnostic imaging services.

Existing law prohibits a healing arts practitioner from charging, billing, or otherwise soliciting payment for anatomic pathology services, as defined, if those services were not actually rendered by the practitioner or under his or her direct supervision, except as specified. Existing law also requires a clinical laboratory and a physician and surgeon performing anatomic pathology services to directly bill the patient, the responsible 3rd-party payer, the clinical laboratory that sent the sample for specialized testing, if certain requirements are met, the requesting hospital or clinic, or the governmental agency or its specified public or private agent, agency, or organization responsible for payment for those services, except as specified.

This bill would additionally prohibit a healing arts practitioner from charging, billing, or soliciting payment from any patient, client, or 3rd-party payer, as defined, for performance of the technical component of specified diagnostic imaging services not rendered by the licensees or persons under their supervision, as defined. The bill would also

require a radiological facility or imaging center performing the technical component of those diagnostic imaging services to directly bill either the patient or the responsible 3rd-party payer for the services, and would prohibit the radiological facility or imaging center from billing the licensee who requested the services. The bill would exempt specified persons, radiological facilities, imaging centers, clinics, health care programs, or the performance of diagnostic imaging services within a licensee's office, from these provisions. Because a violation of these provisions would be a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 655.8 is added to the Business and
- 2 Professions Code, to read:
- 3 655.8. (a) It is unlawful for any person licensed under this
- 4 division or under any initiative act referred to in this division to
- 5 charge, bill, or otherwise solicit payment from any patient, client,
- 6 customer, or third-party payer for performance of the technical
- 7 component of Computerized Tomography (CT), Positron Emission
- 8 Tomography (PET), or Magnetic Resonance Imaging (MRI)
- 9 diagnostic imaging services if those services were not actually
- 10 rendered by the licensee or a person under his or her supervision.
- 11 (b) Radiological facilities or imaging centers performing the
- 12 technical component of CT, PET, or MRI diagnostic imaging
- 13 services shall directly bill either the patient or the responsible
- 14 third-party payer for such services rendered by those facilities.
- 15 Radiological facilities or imaging centers shall not bill the licensee
- 16 who requests the services.
- 17 (c) This section shall not apply to any of the following:
- 18 (1) Any person who, or radiological facility or imaging center
- 19 that, contracts directly with a health care service plan licensed

1 pursuant to Chapter 2.2 (commencing with Section 1340) of  
2 Division 2 of the Health and Safety Code.

3 (2) Any person who, or clinic that, provides diagnostic imaging  
4 services without charge to the patient, or on a sliding scale payment  
5 basis if the patient's charge for services is determined by the  
6 patient's ability to pay.

7 (3) Health care programs operated by public entities, including,  
8 but not limited to, colleges and universities.

9 (4) Health care programs operated by private educational  
10 institutions to serve the health care needs of their students.

11 (5) Any person who, or clinic that, contracts with an employer  
12 to provide medical services to employees of the employer if the  
13 diagnostic imaging services are provided under the contract.

14 (6) Diagnostic imaging services that are performed within a  
15 physician and surgeon's office, as defined in paragraph (5) of  
16 subdivision (b) of Section 650.01, or the office of a group practice,  
17 as defined in paragraph (6) of subdivision (b) of Section 650.01.

18 (d) Nothing in this section prohibits a licensee or a physician  
19 entity from billing globally for professional and technical  
20 components under either of the following circumstances:

21 ~~(1) The imaging center is wholly owned and operated by the~~  
22 ~~licensee or physician entity.~~

23 ~~(2) The licensee or physician entity has a professional services~~  
24 ~~contract with the imaging center to provide all of the professional~~  
25 ~~interpretations at the imaging center. components if both of the~~  
26 ~~following conditions are met:~~

27 ~~(1) Neither the physician, or any member of his or her medical~~  
28 ~~group, nor the physician entity has ordered the diagnostic imaging~~  
29 ~~services.~~

30 ~~(2) The physician, or a member of his or her medical group, or~~  
31 ~~the physician entity provides the professional interpretation of the~~  
32 ~~diagnostic imaging service.~~

33 ~~(e) Nothing in subdivision (d) is intended to authorize or permit~~  
34 ~~an imaging center to engage in the practice of medicine or exercise~~  
35 ~~other professional rights, privileges, or powers in violation of~~  
36 ~~Section 2400 of the Business and Professions Code.~~

37 ~~(e)~~

38 (f) For the purposes of this section, the following terms shall  
39 have the following meanings:

1 (1) “Physician entity” means a professional medical corporation  
2 formed pursuant to Section 2406 or a general partnership that  
3 consists entirely of physicians and surgeons or professional medical  
4 corporations.

5 (2) “Responsible third-party payer” means any person or entity  
6 who is responsible to pay for CT, PET, or MRI services provided  
7 to a patient.

8 (3) “Supervision” means *that* the referring licensee is providing  
9 the level of supervision ~~as defined~~ *set forth* in paragraph (3) of  
10 subsection (b) of Section 410.32 of Title 42 of the Code of Federal  
11 Regulations.

12 (4) “Technical component” includes services other than those  
13 provided by a physician and surgeon for the CT, PET, or MRI  
14 including personnel, materials, space, equipment, and other  
15 facilities.

16 SEC. 2. No reimbursement is required by this act pursuant to  
17 Section 6 of Article XIII B of the California Constitution because  
18 the only costs that may be incurred by a local agency or school  
19 district will be incurred because this act creates a new crime or  
20 infraction, eliminates a crime or infraction, or changes the penalty  
21 for a crime or infraction, within the meaning of Section 17556 of  
22 the Government Code, or changes the definition of a crime within  
23 the meaning of Section 6 of Article XIII B of the California  
24 Constitution.